

Approved For Release 2001/03/02 : CIA-RDP70-00061 McCone, Former AEC Chief, Is Named To Succeed Dulles as Director of CIA

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NEWPORT, R.I. — John A. McCone, chairman of the Atomic Energy Commission from 1958 until President Kennedy took office, will succeed Allen W. Dulles as director of the Central Intelligence Agency. He will take office in November.

The appointment was announced by the President at his vacation White House here.

Because he is a lifelong Republican, Mr. McCone's election is certain to please GOP leaders. More than that, it will help keep the position from being a major target of the conservative wing of the Republican Party, whose members have become increasingly critical of the Administration's foreign policy in recent weeks.

The McCone appointment to the \$21,000-a-year job also promises to be a popular one with Democrats. Two leading Democratic Senators, Symington of Missouri and Anderson of New Mexico, were strong advocates of the selection. Mr. Anderson, a member of the Joint Congressional Atomic Energy Committee, worked closely with Mr. McCone during his AEC chairmanship.

And Mr. McCone fits the Kennedy bill well for another reason: He is regarded as a hard-driving, decisive, get-things-done man who demands the maximum from his staff and subordinates. It's known that some Administration officials feel the CIA needs a certain amount of organizational tightening.

Messrs. McCone and Dulles flew to Newport for a conference with Mr. Kennedy before the President's announcement at a press conference attended by all three. The trio went for an afternoon cruise later in Narragansett Bay, where they continued their discussion of CIA matters.

Mr. Dulles came under sharp criticism

after the Cuban invasion fiasco, with some Congressional critics calling for a full-scale CIA shakeup.

The criticism stemmed from the agency's role in planning the abortive rebel assault against Premier Castro's anti-American regime.

Highly Secret Study

As a result of the Cuban episode, the President ordered a highly secret study of the Government's total intelligence setup. For a time it appeared the CIA might turn over some of its functions in the field of covert operations, such as the Cuban invasion, to the Defense Department. But apparently the agency survived the Cuban affair and will retain its responsibility for both information-gathering and operations.

The intelligence appraisal has never been released. It was performed by Army Gen. Maxwell D. Taylor, now Presidential military adviser, Attorney General Robert Kennedy and Adm. Arleigh Burke, recently retired chief of naval operations.

Mr. Dulles, 68 years old, had made plain to Mr. Kennedy, in accepting reappointment last January, that he didn't want to stay in his post for more than one year. Accordingly, the President had begun searching for possible successors before the blowup over the Cuban debacle in April. One person who had been prominently mentioned, New York lawyer Fowler Hamilton, was removed from the picture last week when he was tapped for the position of foreign aid administrator.

Mr. Dulles, a lawyer by profession, became CIA chief in 1953, capping a record of Government service dating back to President Wilson's Administration. Mr. Kennedy described the Dulles career as "almost unique" in the Government, and his warm words of praise for the departing New Yorker seemed aimed at offsetting any impression that he was being prodded out.

Mr. McCone, 59 years old, was president of the California Shipbuilding Co. during World War II and is president of the Joshua Hendy Iron Works. His first Government service was as a member of the Air Policy Commission in 1947 under President Truman. A year later he became special deputy to the Defense Secretary and in 1950-51 he was Under Secretary of the Air Force.

Decisions Are Made

As chairman of the AEC, Mr. McCone was noted for running the commission very much as if he was its sole boss, rather than de-

oners in a committee-type operation. "When McCone was out of town, decisions were just not made," another commissioner has observed.

Coming from private industry, Mr. McCone was particularly interested in the commission's atomic power development program, which is conducted in partnership with industry. Early in 1959 he announced that two California utilities, Pacific Gas & Electric Co. and Southern California Edison Co., were considering building large atomic power plants that would be competitive with conventionally fueled plants.

This was hailed at the time as proof that the AEC's partnership program was moving ahead successfully. However, almost two years later only Pacific Gas has completed its arrangements and elected to proceed with construction of a 325,000-kilowatt plant using a General Electric Co. reactor. Southern California Edison, which would use a Westinghouse Electric Corp. reactor, is still trying to find a suitable site. Mr. McCone's successor Dr. Glenn Seaborg, has promised that he will recommend new approaches to the Government's atomic power development program next year to get more plants built.

Associates believe Mr. McCone would probably have stayed on as AEC chairman if President Kennedy had offered him the job. Also, because his term did not expire until 1963, Mr. McCone could have remained on the commission as a member. He made clear, however, that he did not wish to take a secondary role and tendered his resignation.

Mr. McCone has been outspoken in opposition to an unpolluted moratorium on nuclear weapons testing. In the fall of 1960, he began to voice increasingly strong public warnings of the danger the U.S. might soon face if it did not resume testing. His view: The advantages to the Russians from clandestine atomic testing were so great it was only prudent to assume they were cheating, even though the AEC had no proof.